

**Submitted Testimony of the Distributed Wind Energy Association  
Subcommittee on Select Revenue Measures  
Hearing on Certain Expiring Tax Provisions  
April 26, 2012**

**Organization:** Sustainable Energy Developments, Inc.

**Name:** Kevin Schulte, CEO & Cofounder

**Address:** 317 Route 104 Ontario, NY 14519

**Phone:** (585) 265-2394

**Contact:** [kevin.schulte@sed-net.com](mailto:kevin.schulte@sed-net.com)

My name is Kevin Schulte and I am the CEO of Sustainable Energy Developments, Inc (SED), a small business located in Ontario, NY. I submit this testimony on behalf of SED and in support of testimony submitted by the Distributed Wind Energy Association (DWEA) of which SED is a member. We appreciate this opportunity to comment on certain expiring provisions that significantly impact our industry and our business.

SED is a leading developer and installer of distributed wind energy systems in the northeast with over 6.7MW of installed capacity to date. SED was founded in 2002 and our 50 projects have generated more than 40 million kilowatt-hours of clean, renewable electricity. The extension of the Investment Tax Credit (ITC) is critical not only to ensure the long-term viability of our business and the 20 people it employs, but also to our clients looking to reduce their long-term energy costs, as well as their susceptibility to energy price volatility.

“Distributed wind,” also commonly referred to as “small” or “community wind,” involves the use of typically smaller wind turbines at homes, farms, businesses, and public facilities to off-set all or a portion of on-site energy consumption. SED wind turbine projects installed in the last 5 years have generated over \$7 million in energy savings to our clients and have allowed our company to double in size in the last 5 years. This success could not have been realized without the presence of federal tax benefits, like the ITC. These are public dollars being turned directly into local private investment.

Community and distributed wind is a dynamic and growing segment of the renewable energy industry. It represented 5.6 percent of all new wind projects in the US in 2010 and that figure rose to over 7 percent in 2011. A unique aspect of most community and distributed wind projects is that local citizens and communities have an ownership stake in these projects, meaning many of the benefits of the project remain in the

community, fueling clean energy development through renewable energy production, reducing costs for electricity, benefiting local economies, and driving job creation.

SED urges extension of the existing federal Investment Tax Credit (ITC) for all new wind power projects through 2016, which is crucial to the continued growth of this emerging industry and our business. To date, our projects have relied entirely on the ITC to obtain the necessary financing to develop and install wind turbines.

With the uncertainty around the extension of the ITC, our clients have been forced to delay projects that could be preparing for construction and generating economic benefits in 2013. As a result, SED has been forced to put off investments, such as new hires or equipment into our firm. The possibility of the ITC not being extended, would pose devastating consequences to the survival of our business, as well as the distributed wind energy industry as a whole.

For the reasons stated above, we urge the House Ways and Means Committee to approve and send to the full House of Representatives legislation that would immediately extend the § 48 ITC election through 2016 for all sizes of wind power projects. This extension would result in immediate economic impacts to our projects and our company, spurring local investment and creating jobs.

Thank you again for the opportunity to submit these comments. We look to your leadership on this matter to ensure that this promising industry will continue to grow.

Cheers,

A handwritten signature in blue ink, appearing to read "Kevin Schulte".

Kevin Schulte  
CEO & Cofounder  
Sustainable Energy Developments, Inc.